

RESOLUTION NO. 09-05

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK DELEGATING TO THE EXECUTIVE DIRECTOR OF THE BANK CERTAIN AUTHORITY TO ACT ON BEHALF OF THE BANK IN RELATION TO FINANCING PUBLIC DEVELOPMENT FACILITIES PURSUANT TO THE INFRASTRUCTURE STATE REVOLVING FUND LOAN PROGRAM

RECITALS

WHEREAS, the California Infrastructure and Economic Development Bank (the "I-Bank") is established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 et seq.) (the "Act"), for the purpose of promoting a system of public improvements essential to the economic well-being of the citizens of the State of California (the "State") and that are necessary to maintain, as well as create, employment within the State;

WHEREAS, the I-Bank is authorized under the Act to, among other things, finance public development facilities (or "Projects"), as defined in the Act, located in the State, as requested by sponsors and participating parties pursuant to the authority and requirements of the Act;

WHEREAS, the I-Bank has adopted Criteria, Priorities and Guidelines (the "Criteria") for a program to finance public development facilities known as the Infrastructure State Revolving Fund Program (the "ISRF Program");

WHEREAS, under the ISRF Program the I-Bank finances public development facilities using a variety of financing mechanisms, including loans, and installment sale, lease-leaseback, sale-leaseback and tax increment financings, each transaction documented through a variety of agreements, including loan agreements, installment sales agreements, and facility lease and site lease agreements ("Financing Agreements"), secured through a variety of arrangements, including leases and documents creating liens on real and personal property, including intangible personal property such as revenue streams, funds and accounts which may or may not be included in an agreement separate from a Financing Agreement ("Security Agreements"), and which may also otherwise be reflected in agreements, contracts, certificates, orders and instruments that are ancillary and related to those Financing Agreements and Security Agreements and that are necessary or convenient to accomplish the financing of public development facilities ("Additional Documents");

WHEREAS, the ISRF Program financings are funded in part by the proceeds of bonds issued by the I-Bank (the "ISRF Program Bonds"), and the ISRF Program financings must be structured in conformance with certain federal tax law requirements that apply to the ISRF Program Bonds and in conformance with certain contractual agreements made by the I-Bank in relation to the ISRF Program Bonds;

WHEREAS, ISRF Program financings frequently leverage other sources of funding for the Project, including federal, state or local grants and loans including those made from bond proceeds, which sources often include restrictions on use that require adjustments to the sources and uses for funding proceeds available for the Project as the restrictions are more fully understood from time to time;

WHEREAS, from time to time there is a need to make minor alterations or augmentations to the Projects that the Board has approved for financing and to make minor alterations or augmentations to the other terms of the transaction approved by the Board;

WHEREAS, from time to time there is a need to amend ISRF Program Financing Agreements, Security Agreements or Additional Documents;

WHEREAS, Sections 63022 and 63023 of the Act provide that the I-Bank is governed by the Board of Directors of the I-Bank (the "Board"), and that the management of and the conduct of the business and affairs of the I-Bank are to be undertaken by the Executive Director;

WHEREAS, Section 63022 and 63023 of the Act authorize the Board to delegate to the Executive Director the authority to take certain acts on behalf of the I-Bank, while requiring that any action involving final approval of any bonds, notes or loans shall require the approval of a majority of the members of the Board;

WHEREAS, the Board has adopted Resolution 06-37 for the purpose of delegating certain authority to the Executive Director, including authority related to the ISRF Program;

WHEREAS, the Board has adopted Resolution 08-35 to augment and restate certain portions of Resolution 06-37 as it pertains to conduit revenue bonds and to supersede certain sections of Resolution 06-37 as those Sections pertain to conduit revenue bonds; and

WHEREAS, the Board has determined that the scope of the delegation of Resolution 06-37 as it pertains to the ISRF Program should also be clarified and restated by this Board;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

Section 1. The Board hereby finds that the above recitals are true and correct.

Section 2. The Board hereby authorizes the Executive Director to execute and deliver, for and on behalf of the I-Bank, all resolutions adopted by the Board, including without limitation those resolutions approving the financing of public development facilities under the ISRF Program.

Section 3. The Board hereby delegates to the Executive Director the authority to approve, execute and deliver for and on behalf of the I-Bank all Financing Agreements, Security Agreements and Additional Documents necessary or convenient to effect and secure the financing of public development facilities approved by the Board and which are consistent with the transaction terms authorized by the Board; provided, however, that the Executive Director may approve, execute and deliver Financing Agreements, Security Agreements and Additional

Documents which include alterations or amendments to the terms of the transaction authorized by the Board, provided that any such alteration or amendment shall be consistent with the Criteria, shall not materially adversely affect the I-Bank's security, shall not in and of itself materially adversely affect any series of the ISRF Program Bonds, and shall not alter any of the following, each of which the Board hereby determines is a substantive and material term of each ISRF Program financing transaction approved by the Board, except as permitted herein:

- a. The sponsor or participating party, except to permit the assumption of all the obligations and interests of that sponsor or participating party under all applicable Financing Agreements, Security Agreements and Additional Documents by an entity that is either an eligible sponsor or participating party, as applicable, under the Act.
- b. The maximum principal financing amount.
- c. The maximum maturity date.
- d. The repayment/security pledged to repay the financing.
- e. The method of calculating the interest rate.
- f. The fees paid by the sponsor or participating party of the Project to the I-Bank.
- g. The type of financing (e.g., an installment sale, loan, or lease-leaseback financing).
- h. The description of the Project in a way that would make the Project inconsistent with the subsection of Section 63010(q) of the Act applicable to the Project as approved by the Board.

Section 4. The Board hereby delegates to the Executive Director the authority to approve, execute and deliver for and on behalf of the I-Bank amendments to previously approved, executed and delivered Financing Agreements, Security Agreements and Additional Documents provided that the amended Financing Agreement, Security Agreement or Additional Document shall not alter any of the terms identified by the Board as substantive or material in Section 3 except as permitted therein, shall not materially adversely affect the I-Bank's security, or, in and of itself materially adversely affect any series of the ISRF Program Bonds. Such amendments shall be consistent with the Criteria except those pertaining to application for financing approval, or scoring for prioritizing projects.

Section 6. This Resolution supersedes Resolution 06-37 adopted on August 22, 2006, and shall take effect from and after its adoption.


PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on February 24, 2009, by the following vote:

AYES: Bonner, Rockwell, Lujano, Rice

NOES: None

ABSENT: Marin

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant, Secretary